

SENATE BILL REPORT

SB 5239

As Reported by Senate Committee On:
Economic Development, Trade & Innovation, February 12, 2009

Title: An act relating to modifying the definition of "public facilities".

Brief Description: Modifying the definition of "public facilities.".

Sponsors: Senator Hatfield.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 1/29/09, 2/12/09 [DPS, w/oRec].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Majority Report: That Substitute Senate Bill No. 5239 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kastama, Chair; Shin, Vice Chair; Delvin, Eide, Kilmer and McCaslin.

Minority Report: That it be referred without recommendation.

Signed by Senator Zarelli, Ranking Minority Member.

Staff: Jack Brummel (786-7428)

Background: The Community Economic Revitalization Board (CERB) is a statutorily authorized state board charged with financing publicly-owned economic development infrastructure improvements that encourage new business development and expansion in areas where growth is desired. Staffing for CERB is provided by the Department of Community, Trade and Economic Development. The CERB program provides local governments low-interest loans and grants to help finance public facility projects. Assistance is primarily targeted to rural communities.

Counties, cities, towns, port districts, federally recognized Indian tribes, special purpose districts, municipal corporations, and quasi-municipal corporations with economic development purposes are eligible to apply for funds. CERB financing can be used for public facilities including bridges, roads, domestic and industrial water projects, sanitary and

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storm sewers, and railroad spurs. The definition of public facilities in the CERB statute does not include capital equipment for maritime transportation and harbor maintenance.

Summary of Bill (Recommended Substitute): The definition of public facilities in the CERB statute is amended to include capitalized equipment for the maintenance of maritime transportation facilities by a consortium of three or more ports. The value of the equipment must be over \$400,000.

EFFECT OF CHANGES MADE BY ECONOMIC DEVELOPMENT, TRADE & INNOVATION COMMITTEE (Recommended Substitute): A limitation is added that the maintenance of maritime transportation facilities must be by a consortium of three or more ports.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: Ports in Southwest Washington are having difficulty getting the Corps of Engineers to dredge. CTED studied the issue and recommended the cooperative purchase of a dredge. The ports made a proposal to CERB for a loan to purchase a dredge but the Assistant Attorney General said the existing definition of public facilities would not allow the use of CERB funds for a dredge.

Persons Testifying: PRO: Senator Hatfield; Ginger Eagle, Washington Public Ports Association.